UNITED STATES PATENT AND TRADEMARK OFFICE

NOTICE OF ALLOWANCE AND FEE(S) DUE

66939	7590	08/07/2009

SNELL & WILMER L.L.P. (1st AMERICAN RE)
600 ANTON BOULEVARD
SUITE 1400
COSTA MESA, CA 92626

EXAMINER
SCARITO, JOHN D

ART UNIT	PAPER NUMBER
3696	

DATE MAILED: 08/07/2009

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/713,348	11/14/2003	Christopher L. Cagan	49416-0500	4137

TITLE OF INVENTION: METHOD FOR MORTGAGE FRAUD DETECTION

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	$1510	$300	$0	$1810	11/09/2009

THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. **PROSECUTION ON THE MERITS IS CLOSED.** THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.

THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN **THREE MONTHS** FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. **THIS STATUTORY PERIOD CANNOT BE EXTENDED.** SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.

HOW TO REPLY TO THIS NOTICE:

I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current SMALL ENTITY status:

A. If the status is the same, pay the TOTAL FEE(S) DUE shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and twice the amount of the ISSUE FEE shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay TOTAL FEE(S) DUE shown above, or

B. If applicant claimed SMALL ENTITY status before, or is now claiming SMALL ENTITY status, check box 5a on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and 1/2 the ISSUE FEE shown above.

II. PART B - FEE(S) TRANSMITTAL, or its equivalent, must be completed and returned to the United States Patent and Trademark Office (USPTO) with your ISSUE FEE and PUBLICATION FEE (if required). If you are charging the fee(s) to your deposit account, section "4b" of Part B - Fee(s) Transmittal should be completed and an extra copy of the form should be submitted. If an equivalent of Part B is filed, a request to reapply a previously paid issue fee must be clearly made, and delays in processing may occur due to the difficulty in recognizing the paper as an equivalent of Part B.

III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop ISSUE FEE unless advised to the contrary.

IMPORTANT REMINDER: Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.

PTOL-85 (Rev. 08/07) Approved for use through 08/31/2010.

PART B - FEE(S) TRANSMITTAL

Complete and send this form, together with applicable fee(s), to: **Mail** Mail Stop ISSUE FEE
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P.O. Box 1450
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66939   7590   08/07/2009

SNELL & WILMER L.L.P. (1st AMERICAN RE)
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Note: A certificate of mailing can only be used for domestic mailings of the Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission.

Certificate of Mailing or Transmission
I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

_____ (Depositor's name)

_____ (Signature)

_____ (Date)

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nonprovisional	NO	$1510	$300	$0	$1810	11/09/2009

EXAMINER	ART UNIT	CLASS-SUBCLASS
SCARITO, JOHN D	3696	705-038000

1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).

☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.

☐ "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. **Use of a Customer Number is required.**

2. For printing on the patent front page, list

(1) the names of up to 3 registered patent attorneys or agents OR, alternatively,

(2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed.

1 _____

2 _____

3 _____

3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)

PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE   (B) RESIDENCE: (CITY and STATE OR COUNTRY)

Please check the appropriate assignee category or categories (will not be printed on the patent) : ☐ Individual ☐ Corporation or other private group entity ☐ Government

4a. The following fee(s) are submitted:
☐ Issue Fee
☐ Publication Fee (No small entity discount permitted)
☐ Advance Order - # of Copies _____

4b. Payment of Fee(s): (**Please first reapply any previously paid issue fee shown above**)
☐ A check is enclosed.
☐ Payment by credit card. Form PTO-2038 is attached.
☐ The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number _____ (enclose an extra copy of this form).

5. Change in Entity Status (from status indicated above)
☐ a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27.

☐ b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2).

NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

Authorized Signature _____   Date _____

Typed or printed name _____   Registration No. _____

PTOL-85 (Rev. 08/07) Approved for use through 08/31/2010.   OMB 0651-0033   U.S. Patent and Trademark Office; U.S. DEPARTMENT OF COMMERCE

UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Determination of Patent Term Adjustment under 35 U.S.C. 154 (b)
(application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 917 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 917 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (http://pair.uspto.gov).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

PTOL-85 (Rev. 08/07) Approved for use through 08/31/2010.

	Application No.	**Applicant(s)**
Notice of Allowability	10/713,348	CAGAN, CHRISTOPHER L.
	Examiner	**Art Unit**
	John D. Scarito	3696

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to *Applicant's RCE of 04/20/2009.*.

2. ☒ The allowed claim(s) is/are *42-49*.

3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

      a) ☐ All   b) ☐ Some*   c) ☐ None   of the:

          1. ☐ Certified copies of the priority documents have been received.

          2. ☐ Certified copies of the priority documents have been received in Application No. _____ .

          3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

     * Certified copies not received: _____ .

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application. **THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.

5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.

   (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached

      1) ☐ hereto or 2) ☐ to Paper No./Mail Date _____.

   (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.

Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).

6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

1. ☒ Notice of References Cited (PTO-892)

2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3. ☒ Information Disclosure Statements (PTO/SB/08), Paper No./Mail Date _____

4. ☐ Examiner's Comment Regarding Requirement for Deposit of Biological Material

5. ☐ Notice of Informal Patent Application

6. ☐ Interview Summary (PTO-413), Paper No./Mail Date _____ .

7. ☒ Examiner's Amendment/Comment

8. ☒ Examiner's Statement of Reasons for Allowance

9. ☐ Other _____ .

/John D. Scarito/	/Alexander Kalinowski/
Examiner, Art Unit 3696	Supervisory Patent Examiner, Art Unit 3691

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in

37 CFR 1.17(e), was filed in this application after final rejection. Since this application is

eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e)

has been timely paid, the finality of the previous Office action has been withdrawn pursuant to

37 CFR 1.114. Applicant's submission filed on 04/20/2009 has been entered.

The following is Examiner's response to Applicant's amendment received 04/20/2009

stemming from Examiner's Final Office Action dated 10/21/2008.

Status of the Claims

As per his/her response, Applicant amended Claims 42-49. As such, Claims 42-49 are

currently pending.

Response to Remarks

Allowable Subject Matter

Examiner acknowledges his indication of allowable subject matter. [see Office Action of

10/21/2008, page 10, lines 2-5]. *Further, Examiner recognizes Applicant's lack of comment*

regarding the section entitled "Examiner Clarification Regarding Applicant's Defined Terms"

[see Office Action of 10/21/2008, page 13, line 1 - page 14, line 11, i.e. see below] as

acquiescence to such terms as there defined.

Telephonic Interview

Examiner notes Applicant's agreement as to the substance of the interview on

05/06/2008. [Applicant's Response, page 7, lines 4-5].

Minor Claim Objections, Claim Rejections - 35 USC § 112-2nd Paragraph &

Claim Rejections – 35 USC § 101

Examiner withdraws his minor claim objections, his §112 second paragraph rejections

and his §101 rejections in the Office Action of 10/21/2008 *in view of the Examiner's Amendment*

entered below.

EXAMINER'S AMENDMENT

An examiner's amendment to the record appears below. Should the changes and/or

additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR

1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the

payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with

Ketan S. Vakil (43,215) on 07/10/2009.

The application has been amended as follows:

Amendments to Applicant's Claims

1.-41. (Cancelled).

42. (**Currently Amended**) A method of detecting fraud during a real estate transaction, the
method comprising:
~~providing~~ using a computer data processor to:
    access a database of real property prices in a geographic area in which a subject real

property is located;

     <u>using data from the database or data from a requestor to</u> generate a temporal data set comprising a current yearly real property price for the subject real property and a set of past yearly real property prices for the subject real property;

     generate <u>from the database</u> a spatial data set comprising <u>a current yearly real property price for real property with similar characteristics as the subject real property and</u> a set of <u>past yearly</u> real property prices for real property with similar characteristics as the subject real property;

     generate a set of temporal variances ~~for the subject real property~~;

     generate a set of spatial variances ~~for the subject real property~~;

     compute a spatial distortion based on the set of spatial variances;

     compute a temporal distortion based on the set of temporal variances;

     compute a total distortion by adding the temporal distortion to the spatial distortion; and

     ~~provide~~ <u>produce</u> a ~~fraud~~ <u>distortion ratio</u> score to indicate a likelihood of fraud based on the total distortion.

43. (Previously Presented) The method of Claim 42, wherein the temporal data set is generated by using sales data for the subject real property.

44. (Previously Presented) The method of Claim 42, wherein the temporal data set is generated by using an automated valuation model.

45. (Previously Presented) The method of Claim 42, wherein the temporal data set is generated by using a combination of sales history data for the subject real property and an automated valuation model applied to the subject real property.

46. (Previously Presented) The method of Claim 42, wherein the spatial variances comprise real property prices selected from a group consisting of real property prices from a same zip code as the subject real property, real property prices from a same postal city as the subject real property, and real property prices from a same county as the subject real property.

47. (**Currently Amended**) A method of detecting fraud during a real estate transaction, the method comprising:

~~providing~~ <u>using</u> a <u>computer</u> data processor to:

     access a database of real estate <u>sale</u> prices ~~for real estate~~ in a geographic area in which a subject real property is located;

     generate <u>from the database</u> a real estate price data set selected from a group consisting of real estate prices ~~for real estate~~ in a same zip code as the subject real property, real estate prices ~~for real estate~~ in a same city <u>situs code</u> as the subject real property, and real estate prices ~~for real estate~~ in a same county ~~code~~ as the subject real property;

     generate a spatial variance by computing at least two years of ratios, the ratios, <u>corresponding to the selected real estate price data set,</u> selected from a group consisting of ~~the~~ subject real property prices to <u>the real estate prices in the same</u> zip code ~~prices~~ from the real estate <u>price</u> data set, the subject <u>real</u> property prices to <u>the real estate prices in the same</u> city <u>situs</u>

~~prices~~ from the real estate price data set, and the subject <u>real</u> property prices to <u>the real estate prices in the same</u> county ~~prices~~ from the real estate price data set;

compute a spatial distortion by determining a maximum value in the spatial variance and subtracting the maximum value from the current year spatial variance; and

~~report~~ <u>produce a</u> ~~fraud~~ <u>distortion ratio</u> score to indicate a likelihood of fraud based on the spatial distortion.

48. (**Currently Amended**) A system for detecting fraud during a real estate transaction, comprising:
a <u>computer</u> processor; and
a memory ~~coupled to the processor and configured to store~~ <u>storing</u> program instructions<u>, said program instructions when executed by the computer processor causes</u> ~~executable by~~ the <u>computer</u> processor to:

access a database of real estate ~~sale~~ prices ~~for real estate~~ in a geographic area in which a subject real property is located;

~~obtain~~<u>generate from the database</u> a real estate price data set selected from a group consisting of real estate prices ~~for real estate~~ in a same zip code as the subject real property, real estate prices ~~for real estate~~ in a same city <u>situs</u> ~~code~~ as the subject real property, and real estate prices ~~for real estate~~ in a same county ~~code~~ as the subject real property;

~~build~~<u>generate</u> a spatial variance by computing at least two years of ratios, the ratios, <u>corresponding to the selected real estate price data set,</u> selected from a group consisting of ~~the~~ subject real property prices to <u>the real estate prices in the</u>   <u>same</u> zip code ~~prices~~ from the real estate <u>price</u> data set, the subject <u>real</u> property prices to <u>the real estate prices in the same</u> city <u>situs</u> ~~prices~~ from the real estate price data set, and the subject <u>real</u> property prices to <u>the real estate prices in the same</u> county ~~prices~~ from the real estate price data set;

compute a spatial distortion by determining a maximum value in the spatial variance and subtracting the maximum value from the current year spatial   variance; and

~~report~~ <u>produce a</u> ~~fraud~~ <u>distortion ratio</u> score to indicate a likelihood of fraud based on the spatial distortion.

49. (**Currently Amended**) A system for detecting fraud during a real estate transaction, comprising:
a <u>computer</u> processor; and
a memory ~~coupled to the processor and configured to store~~ <u>storing</u> program instructions<u>, said program instructions when executed by the computer processor causes</u> ~~executable by~~ the <u>computer</u> processor to:

access a database of real property prices in a geographic area in which a subject real property is located;

~~build~~<u>use data from the database or data from a requestor to</u> generate a temporal data set comprising a current yearly real property price for the subject real property and a set of past yearly real property prices for the subject real property;

~~build~~<u>generate from the database</u> a spatial data set comprising <u>a current yearly real property price for real property with similar characteristics as the subject real property and</u> a set of <u>past yearly</u> real property prices for real property with similar characteristics as the subject real

property;

    ~~build~~ generate a set of temporal variances ~~for the subject real property~~;

    ~~build~~ generate a set of spatial variances;

    compute a spatial distortion based on the set of spatial variances;

    compute a temporal distortion based on the set of temporal variances;

    compute a total distortion by adding the temporal distortion to the spatial distortion; and

    ~~provide~~ produce a ~~fraud~~ distortion ratio score to indicate a likelihood of fraud based on

the total distortion.

Allowable Subject Matter

Claims 42-49 are allowed.

The following is an examiner's statement of reasons for allowance:

    The closest prior art of record, specifically Cole [2002/0133371], HomePrice & Cole

[2002/0099650], taken alone or in combination do not disclose or fairly teach the following

limitations:

    computing a spatial distortion based on the set of spatial variances OR computing a spatial distortion by

determining a maximum value in the spatial variance and subtracting the maximum value from the current

year spatial variance where Examiner interprets "spatial distortion" to include (X) minus (Y)

where (X)= a contemplated year's spatial variance and (Y)=the maximum (X) derived in

all previous years. [Applicant's Specification, page 13, lines 8-9].

    computing a total distortion by adding the temporal distortion to the spatial distortion where Examiner

interprets "total distortion" to include the sum of the spatial distortion and the temporal

distortion for a contemplated year. [Applicant's Specification, page 14, lines 14-17].

    providing a distortion ratio score to indicate the likelihood of fraud based on the total distortion OR

reporting a distortion ratio score to indicate the likelihood of fraud based on the spatial distortion where

Examiner interprets "distortion ratio score" to include the sum of any spatial distortion and temporal distortion computed [Applicant's Specification, page 7, lines 26-29]. Examiner's cited reference Cole ('371) generally teaches a fraud prevention process to determine whether a proffered valuation is "reasonable" [paragraph 24]. Here, Cole ('371) uses a "neighborhood code" to identify "homogeneous" comparable properties. [paragraph 98]. In this vein, Cole generally teaches the comparison of ratios (i.e. actual sales amount to the property value, SVT) and acknowledges that "most will be relatively the same, with a few much lower, and a few much higher than the rest" [paragraphs 101 & 103]. Here, Cole ('371) teaches calculating a "relative difference between [] records" and sets a threshold on an acceptable relative difference amongst the ratios to set upper and lower limits for reasonable, consistent values. [see paragraph 104]. Further, Cole ('371) teaches the calculation of a "relative limit" "generally applicable" for evaluating consistency. [paragraph 108, i.e. similar to Applicant's fraud score]. However, Cole ('371) does not explicitly disclose computing a spatial distortion.

Examiner's cited NPL, HomePrice, generally teaches the analysis of historical residential sales records by "zip+4" and suggests evaluating "median sale price" and "area price trends" [see HomePrice, page 1, paragraphs 2, 17 & 18]. However, HomePrice does not explicitly disclose computing a spatial distortion.

Examiner's cited reference Cole ('650) generally teaches establishing a "range of value for the particular property", "the historical range of sales prices in the area", as well as a

"market variance" [paragraphs 35-37], when evaluating a requested mortgage loan amount. Despite, Cole ('650) acknowledging (1) "significant price fluctuations" in markets when establishing reasonableness of a value [paragraph 67] and (2) comparison of a property's ratio (i.e. LTV) with "the neighborhood high value" [paragraphs 88-91], Cole ('650) does not explicitly disclose computing a spatial distortion.

Here, Applicant's "spatial distortion" assesses (X), the percentage magnitude of a subject property's value against the median market value of comparables for a given year, versus (Y), the maximum (X) for all previous years. This appears to compensate, or take into account, the natural fluctuations between a subject property's value and the median market value of comparables for any given year. (e.g. In 2008, the spatial variation is 12%. However in view of previous years, the spatial variance peaked at 10% in 2002. As such, the only variation one should be concerned with is a 2% difference rather than a 12% difference. Here, Applicant makes 10%, in the year 2002, his/her pseudo benchmark as a natural fluctuation between a subject property and the median market value of comparables for that year.) Further, as a whole, the combination of said "spatial distortion" with a "temporal distortion" to provide a "total distortion" as a "fraud score" for purposes to "indicate the likelihood of fraud" is not disclosed or fairly taught by the prior art of record.

Examiner Clarification Regarding Applicant's Defined Terms

Examiner indicates the following to clarify "temporal variance", "spatial variance" and "temporal distortion" since Applicant's use of these terms may not be readily apparent to one of skill in the art [Reproduced from Final Office Action of 10/21/2008, page 13, line 1 - page 14, line 11]

Regarding Applicant's limitation: building a set of temporal variances

Here, Examiner interprets "temporal variances" to consist of (1) the ratios comprising a valuation of the subject property at a contemplated year divided by the subject property's valuation one year prior and (2) the ratios comprising a median valuation of the properties with similar characteristics as the subject property at a contemplated year divided by the median valuation of the properties with similar characteristics as the subject property one year prior. [see Applicant's Specification, page 12, lines 13-18]. Examiner interprets this as merely the appreciation or depreciation year over year (i.e. for a subject property or the median comparable property) as would be appreciated in the art. (e.g. the subject property appreciated 8% since last year, the median comparable property appreciated 5% since last year, etc.)

Regarding Applicant's limitations: building a set of spatial variances AND building a spatial variance by computing at least two years of ratios of subject property prices to a group consisting of zip code, city and county prices

Here, Examiner interprets "spatial variances" to consist of the ratios comprising a contemplated year's temporal data divided by that year's spatial data [Applicant's Specification, page 11, line 5]. Examiner interprets this as merely a percentage

comparison to market comparables as would be appreciated in the art (e.g. the

subject property's value is 30% higher than the comparable property value in that

geographic area)

Regarding Applicant's limitation: computing a temporal distortion based on the set of temporal

variances

Here, Examiner interprets "temporal distortion" to include a contemplated year's

temporal variance (i.e. calculation (1) above) minus that year's temporal variance

(i.e. calculation (2) above). [Applicant's Specification, page 14, lines 1-3].

Examiner interprets this as merely the difference in the appreciation or

depreciation of the subject property year over year versus the appreciation or

depreciation of the median comparable property year over year as would be

appreciated in the art (e.g. continuing with the above example…the subject

property appreciated 3% more than the median comparable property since last

year)

Any comments considered necessary by applicant must be submitted no later than the

payment of the issue fee and, to avoid processing delays, should preferably accompany the issue

fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for

Allowance."

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to John D. Scarito whose telephone number is (571) 270-3448. The examiner can normally be reached on M-Th (7:30-5:00), Alternate F (7:30-4:00).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Dixon can be reached on (571) 272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

John D. Scarito   /Alexander Kalinowski/
Examiner, Art Unit 3696   Supervisory Patent Examiner, Art Unit
                                                   3691

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